



The Facts on the Healthy Families Act

The Healthy Families Act (HFA or S. 910/H.R. 1542) would require employers with as few as 15 employees to provide seven days of leave—with pay—annually to all full-time employees (defined as those working 30 hours/week), and a pro-rated amount of leave to part-time employees (those working 20 hours/week or at least 1,000 hours/year). Employees could take the leave in increments as small as six minutes with no notice and no documentation (e.g., doctor's note), and would be entitled to the leave almost immediately.

The impact of the Healthy Families Act on employees, employers and the economy would be dramatic and unprecedented. For example:

- **Public Safety** – An employer's entire workforce could fail to show up for work and the employer could not request one sick note or discipline one employee. The impact on emergency service providers, hospitals, schools and daycare centers would be devastating.
- **Service** – Employees would be allowed to report to work an hour late in 56 different instances or be 15 minutes late for 224 days. In many cases, employees could do so without any notice, and the employer could not discipline the employee or require documentation.
- **Costs** – Payroll costs alone would average more than \$850 per full-time employee or \$70 billion annually¹. This amount does not include the additional costs the bill imposes on employers for recordkeeping and paperwork burdens, lost productivity, compliance and overtime pay.
- **Employee Morale** – In 95 percent of unscheduled absences, employers are forced to have co-workers do the job or leave the work temporarily uncompleted. As a result, many employees would face schedule changes or unwanted overtime when their colleagues fail to show up without notice.
- **Benefits** – The HFA's one-size-fits-all approach would force employers to reduce wages or other benefits to pay for the leave mandate and associated compliance costs.
- **Employer Flexibility** – Employers need flexibility to design benefit packages that meet the needs of employees, while ensuring their ability to compete in a global marketplace. Under the HFA, employers would be prohibited from making even minor adjustments to their leave programs in order to comply with the leave mandate.

Employers voluntarily provide paid leave benefits to recruit and retain a productive workforce. In fact, an overwhelming majority of employers voluntarily provide workers with an average of more than 16 paid days of leave within the *first* year of work. By mandating this benefit, the HFA limits an employer's ability to tailor leave programs and other benefits to their employees' needs.

¹ Calculated using average annual wage and salary data compiled by the Departments of Labor and Commerce for individuals working for employers with 20 or more employees